

## Liquidator's Progress Report

# S.192

Pursuant to Sections 92A and 104A and 192  
of the Insolvency Act 1986

To the Registrar of Companies

Company Number

4147467

Name of Company

BMT Marine & Offshore Surveys Limited

++We

Lee Antony Manning, PO Box 810, 66 Shoe Lane, London, EC4A 3WA

Nicholas Guy Edwards, PO Box 810, 66 Shoe Lane, London, EC4A 3WA

the liquidator(s) of the company attach a copy of my/our Progress Report  
under section 192 of the Insolvency Act 1986

The Progress Report covers the period from 19/09/2014 to 18/09/2015

Signed



Date 13 NOVEMBER 2015

Deloitte LLP  
PO Box 810  
66 Shoe Lane  
London  
EC4A 3WA

Ref BMTM01L/NMB/BEW/CPB

SATURDAY



A25 \*A4K5ZEYO\* 14/11/2015 #409  
COMPANIES HOUSE

**BMT MARINE & OFFSHORE SURVEYS LIMITED  
(IN LIQUIDATION)  
("the Company")**

**ANNUAL PROGRESS REPORT TO CREDITORS PURSUANT TO RULES 4.49B/4 49C OF  
THE INSOLVENCY RULES 1986 (AS AMENDED)  
FOR THE PERIOD TO 18 SEPTEMBER 2015**

13 November 2015

**This report has been prepared for the sole purpose of updating the Creditors for information purposes. The report may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by Creditors for any purpose other than updating them for information purposes, or by any other person for any purpose whatsoever**

**Lee Antony Manning and Nicholas Guy Edwards were appointed Joint Liquidators of BMT Marine & Offshore Surveys Limited on 19 September 2013**

**All licensed Insolvency Practitioners of Deloitte LLP are licensed in the UK to act as Insolvency Practitioners**

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## **ABBREVIATIONS**

**For the purpose of this report the following abbreviations shall be used**

"Act"	Insolvency Act 1986 (as amended)
"BLP"	Berwin Leighton Paisner LLP
"Company"	BMT Marine & Offshore Surveys Limited (in Liquidation)
"Cala Palma Creditors"	A group of seven companies who received judgement against the Company totalling US\$64,581,368 36, who are represented by CMS Cameron McKenna LLP
"Court"	The High Court of Justice, Chancery Division, Companies Court
"CVL"	Creditors' Voluntary Liquidation
"Deloitte"	Deloitte LLP
"k"	Thousand
"m"	Million
"Braemar"	Braemar Technical Services Limited, the company vehicle set up to house the business and assets of the Company that were purchased by Braemar Falconer Limited
"Liquidators"	Lee Antony Manning and Nicholas Guy Edwards of Deloitte, formerly the Joint Administrators of the Company
"Rules"	Insolvency Rules 1986 and the Insolvency (Amendment) Rules 2010
"SIP7 (E&W)"	Statement of Insolvency Practice 7 (England & Wales)
"SIP13 (E&W)"	Statement of Insolvency Practice 13 (England & Wales)

## **1 INTRODUCTION**

### **1.1 Introduction**

This report has been prepared in accordance with Rules 4.49B and 4.49C of the Rules to provide creditors with an update on the progress of the liquidation of the Company since our report dated 13 November 2014 for the first year of the liquidation.

Given the information previously provided to creditors in our earlier report to creditors, we have not included detailed background information in respect of the Company and have focused on progress of the liquidation subsequent to that report.

A schedule of statutory information in respect of the Company is attached at Appendix 1.

### **1.2 Details of the appointment of the Liquidators**

Lee Antony Manning and Nicholas Guy Edwards of Deloitte were appointed Joint Liquidators of the Company following cessation of the Administration on 18 September 2013.

For the purposes of section 231 of the Act the Liquidators confirm that they are authorised to carry out all functions, duties and powers by either of them jointly and severally.

### **1.3 Electronic communication with creditors**

In an effort to reduce the costs of the liquidation, all communications with creditors, including updates and progress reports, will be posted onto a website, which has been set up specifically for this purpose. The web address is <http://www.deloitte-insolvencies.co.uk/bmt-marine-and-offshore-surveys>.

A letter will be issued to all creditors each time the website is updated with a statutory notice or report. All creditors' statutory notices will be retained on the website for 3 months after being uploaded to the site.

## **2. LIQUIDATORS' RECEIPTS AND PAYMENTS ACCOUNT**

### **2.1 Introduction**

Please refer to Appendix 2 where we have summarised total Receipts and Payments since the date of our appointment, as well as Receipts & Payments made over the twelve months since we last reported to you

In the following paragraphs we have provided additional commentary on the receipts and payments in the last 12 months

### **2.2 Asset realisations**

During the previous 12 months the only realisation has been gross interest received of £3,002

There was a further final contribution from the Cala Palma Creditors to the Administrators' fees and legal costs of £6,220 in relation to assistance provided to unsecured creditors in attempting to establish a claim against the Company's insurers. This was offset by £22,449 of VAT incorrectly charged on a previous invoice

### **2.3 Estimated future realisations**

There are not expected to be any further asset realisations

### **2.4 Costs incurred but not yet paid**

The only costs incurred that remained unpaid at the date of this report comprise legal fees of £916 plus VAT

### **2.5 Estimated outcome for creditors**

During the writing of this report, the sole remaining unquantifiable contingent claim against the Company has now been settled, at no cost to the liquidation estate. This means that the Liquidators will be in a position to pay a first and final distribution to unsecured creditors and bring the liquidation to a close

The Company has received claims from unsecured creditors with a current value of £59.4m, and should this level of claims not increase significantly this would result in a distribution to unsecured creditors of approximately 1.8 to 2.0 pence in the £

### **3. DISTRIBUTIONS TO CREDITORS**

#### **3.1 Secured creditors**

The Company does not have any secured creditors

#### **3.2 Preferential creditors**

The sole preferential claim against the Company was paid in full during the preceding administration and no further preferential claims are expected

#### **3.3 Unsecured creditors**

To date claims from unsecured creditors total £59.4m

As the Company has no secured creditors the prescribed part is not applicable and all residual funds will be distributed between unsecured creditors

At present levels, assuming that the value of unsecured claims were not to markedly increase, a final dividend in the region of 1.8 to 2.0 pence in the £ is likely to be paid

Any creditors who have not yet submitted a proof of debt form are invited to do so by completing the Proof of Debt form at Appendix 4 and returning it to the address on the front of this report

All claims submitted in the administration will remain in place for the CVL and creditors will not be required to take any further action in order for their claim to be considered for admittance to the liquidation claims process

## **4 OTHER MATTERS AND INFORMATION TO ASSIST CREDITORS**

### **4.1 Investigations**

As part of the Liquidators' statutory duties, an investigation into the conduct of the Company's Directors was completed

In this regard, a confidential report was submitted to The Insolvency Service on 15 March 2014

### **4.2 Other**

As part of our duties as Liquidators, we reviewed all of the information available to us and having completed this review, we identified no further avenues of recovery

If you have any information that you feel we should be made aware of in relation to the above, please contact us as a matter of urgency

### **4.3 SIP13 (E&W) – Transactions with connected parties**

In accordance with the guidance given in SIP13 (E&W), the Liquidators provided details of transactions with connected parties during the Administration and in the two years prior to Administration

No further transactions with connected parties have been noted and there have been none during the period of this report

### **4.4 EC Regulations**

Council Regulation (EC) No 1346/2000 applies and these are the main proceedings as defined in Article 3(1) of that regulation



## 5. LIQUIDATORS' REMUNERATION AND EXPENSES

### 5.1 Liquidators' remuneration

#### 5.1.1 Basis of remuneration

The Liquidators' remuneration was approved at a meeting of creditors during the preceding administration

The basis of the Liquidators remuneration has been approved by reference to the time properly given by the Liquidators and their staff in attending to matters arising in the liquidation, calculated at the prevailing standard hourly charge out rates used by Deloitte at the time when the work is performed, plus VAT

#### 5.1.2 Remuneration

In the second twelve months of the liquidation to 18 September 2015 the Liquidators have incurred time costs of £30,351 made up of 57.8 hours at an average charge out rate of £526 across all grades of staff. This time is charged in six minute increments.

The Liquidators' total time costs since the date of their appointment are £75,036, made up of 159 hours at an average charge out rate of £472.

Please refer to Appendix 3 where the work done has been categorised into the following task headings and sub categories

- **Administration and planning** includes case planning, case set-up, notification of appointment, maintenance of our case files and insolvency case record, statutory reporting, compliance, cashiering and accounting
- **Investigations** comprises reporting on the conduct of Company directors
- **Realisation of Assets** comprises dealing with small residual matters arising as a result of the sale of the business to Braemar
- **Trading** comprises dealing with some small matters arising concerning the closure of the overseas branches, the business of which was purchased by Braemar
- **Creditors** includes set-up of creditor records and communications with unsecured creditors
- **Case specific matters** includes dealing with the post liquidation tax and VAT matters arising in respect of the Company. There was also some time spent overseeing the litigation in the Canadian Court regarding one unsecured creditor

The Liquidators have drawn remuneration to date of £73,747 as shown in the Receipts & Payments account at Appendix 2

"A Creditors' Guide to Liquidators' Remuneration" is available for download at [http://www.deloitte-insolvencies.co.uk/related-documents/sip-9-\(eandw\).aspx](http://www.deloitte-insolvencies.co.uk/related-documents/sip-9-(eandw).aspx). Should you require a paper copy, please send your request in writing to the Liquidators at the address on the front of this report and this will be provided to you at no cost.

## Expenses

During the period of the liquidation the following expenses have been incurred and paid, as summarised in the table below

Nature of expenses	Total incurred	Paid	Outstanding
Tax computation submission	£274 00	-	£274 00
Travel	£51 00	£29 00	£22 00
Subsistence	£26 87	£26 87	-
Telephone costs	£10 24	£10 24	-
Courier	£10 00	£10 00	-
	£372 11	£76 11	£296 00

## 5.2 Charge out rates

The range of charge out rates for the separate categories of staff is based on our national charge out rates as summarised below. Please also note that the range of charge out rates is now provided separately for Assistant Directors and Assistant Managers, this information was previously provided under the category of Managers' rates

Grade	From 1 Sep 2012 to 31 Aug 2014	From 1 Sep 2014 to 31 Aug 2015	From 1 Sep 2015 £
	£	£	
Partners/Directors	605 to 950	615 to 970	645 to 1020
Assistant Directors	465 to 720	475 to 735	500 to 770
Managers	400 to 645	410 to 660	430 to 695
Assistant Managers	305 to 515	310 to 525	325 to 550
Assistants and Support Staff	155 to 305	160 to 310	80 to 325

The average charge - out rates applicable to this case are provided at Appendix 3

The above bands are specific to the Restructuring Services department partners and staff. In certain circumstances the use of specialists from other Deloitte departments such as Tax/VAT, Corporate Finance or Deloitte Real Estate may be required on the case. These departments may charge rates that fall outside the Restructuring Services department bands quoted above so, where such specialists have performed work on the case, average rates may also fall outside the Restructuring Services department bands

All partners and technical staff (including cashiers) assigned to the case recorded their time spent working on the case on a computerised time recording system. Time spent by secretarial staff working on the assignment has not been recorded or recovered. The appropriate staff have been assigned to work on each aspect of the case based upon their

seniority and experience, having regard to the complexity of the relevant work, the financial value of the assets being realised and/or claims agreed

### **5.3 Other professional costs**

BLP were instructed by the Liquidators to advise on appropriate legal matters in connection with the liquidation, following on from their services provided during the Administration. The professional costs to date are shown in the receipts and payments account at Appendix 2. At present BLP has unpaid legal costs of £916 plus VAT.

All professional costs are reviewed and analysed by the Liquidators before payment is approved.

### **5.4 Creditors' right to request information**

Any secured creditor or, unsecured creditor with the support of at least 5% in value of the unsecured creditors or, with permission of the Court, may, in writing, request the Liquidators to provide additional information regarding remuneration or expenses to that already supplied within this report. Such requests must be made within 21 days of receipt of this report, in accordance with Rule 4.49E of the Rules.

### **5.5 Creditors' right to challenge Remuneration and/or Expenses**

Any secured creditor or, unsecured creditor with the support of at least 10% in value of the unsecured creditors or, with permission of the Court, may apply to the Court for one or more orders (in accordance with Rule 4.131 of the Rules), reducing the amount or the basis of remuneration which the Liquidators are entitled to charge or otherwise challenging some or all of the expenses incurred.

Such applications must be made within 8 weeks of receipt by the applicant(s) of the progress report detailing the remuneration and/or expenses being complained of, in accordance with Rule 4.131(1B) of the Rules.

Please note that such challenges may not disturb remuneration or expenses approved or deemed to be approved under prior progress reports.

**BMT MARINE & OFFSHORE SURVEYS LIMITED (IN LIQUIDATION)**

**STATUTORY INFORMATION**

Company Name	BMT Marine & Offshore Surveys Limited
Proceedings	In Creditors' Voluntary Liquidation
Date of Appointment	19 September 2013
Joint Liquidators	Lee Antony Manning and Nicholas Guy Edwards Deloitte LLP PO Box 810 66 Shoe Lane London EC4A 3WA
Registered office Address	c/o Deloitte LLP Hill House 1 Little New Street London EC4A 3TR
Company Number	4147467
Incorporation Date	25 January 2001
Company Secretary	Mr Geoffrey Turner
Bankers	Barclays Bank Plc
Auditors	Baker Tilly UK Audit LLP
Appointment by	Conversion to Creditors' Voluntary Liquidation following the appointment of Lee Antony Manning and Nicholas Guy Edwards as Joint Administrators by the directors of the Company
Directors at date of Appointment	Mr Kenneth John Arnott Mr Robert Patrick Wall Mr David Owen Harrop Mr Nigel John Clark Mr Phillip Allan Thompson
Directors' Shareholdings	0%

## BMT Marine &amp; Offshore Surveys Limited (In Creditors' Voluntary Liquidation)

Summary of receipts & payments  
from 19 September 2014 to 18 September 2015

	Notes	19 Sept 2013 to 18 Sept 2014	19 Sept 2014 to 18 Sept 2015	Total (£)
<b>Receipts</b>	<b>1</b>			
Surplus from Administration		1,271,155	-	1,271,155
Administration VAT receivable		12,894	-	12,894
Contribution to legal & Administrator fees	2	128,476	(16,229)	112,247
Bank interest gross		3,378	3,002	6,380
		<u>1,415,903</u>	<u>(13,227)</u>	<u>1,402,676</u>
<b>Payments</b>				
Liquidators' fees		(36,270)	(37,477)	(73,747)
Liquidators' expenses		-	(76)	(76)
Legal fees		(2,730)	-	(2,730)
Printing & postage		(1,236)	(1,317)	(2,553)
Statutory advertising		(85)	-	(85)
Professional indemnity insurance		(17,240)	(13,880)	(31,120)
Bank charges		(113)	(50)	(163)
		<u>(57,674)</u>	<u>(52,800)</u>	<u>(110,474)</u>
<b>Balance in hand</b>		<u><b>1,358,229</b></u>	<u><b>(66,027)</b></u>	<u><b>1,292,202</b></u>
<b>Made up as follows</b>				
Cash at bank		1,350,307	(73,652)	1,276,655
VAT receivable		7,922	7,625	15,547
		<u><b>1,358,229</b></u>	<u><b>(66,027)</b></u>	<u><b>1,292,202</b></u>
 3rd party funds held	 3	 12		

## Notes

- 1 No statement of affairs was available in respect of the conversion from Administration to Liquidation
- 2 VAT incorrectly charged on Administrators' fees was reimbursed in the period, totalling £22,449
- 3 Funds belonging to Braemar are periodically received into an old bank account, and these are passed onto Braemar intermittently

APPENDIX 3  
Page 1 of 2

BMT Marine & Offshore Surveys Limited (In Liquidation)  
Time Costs for the period 19 September 2014 to 18 September 2015

	Partners & Directors		Assistant Directors		Managers		Assistant Managers		Assistants & Support		TOTAL		Average rate/h Cost (£)
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	
<b>Administration and Planning</b>													
Cashiering and Statutory Filing	0.0		1.2	747.50	0.9	454.50	7.0	2,841.00	0.5	125.00	9.5	4,168.00	436.44
Case Management and Closure	0.4	346.00	5.5	3,505.00	0.0	-	16.3	6,605.50	0.6	180.00	22.8	10,636.50	466.51
Initial Actions	0.1	86.50	0.2	130.00	0.0	-	0.0	-	0.0	-	0.3	216.50	721.67
Liaison with Other Insolvency Practitioners	0.0		0.0		0.0	-	0.0	-	0.0	-	0.0	-	-
General Reporting	0.6	519.00	7.0	4,550.00	0.0	-	6.7	2,713.50	2.0	490.00	16.3	8,272.50	507.52
	1.1	951.50	13.9	8,932.50	0.9	454.50	30.0	12,160.00	3.1	795.00	49.0	23,293.50	475.65
<b>Creditors</b>													
Unsecured	0.1	86.50	0.5	325.00	0.0	-	0.8	324.00	0.0	-	1.4	735.50	525.36
	0.1	86.50	0.5	325.00	0.0	-	0.8	324.00	0.0	-	1.4	735.50	525.36
<b>Case Specific Matters</b>													
Litigation	0.0	-	2.0	1,335.00	0.0	-	0.0	-	0.0	-	2.0	1,335.00	667.50
VAT	0.0	-	0.5	325.00	0.0	-	0.4	162.00	0.0	-	0.9	487.00	541.11
Tax	2.5	2,900.00	2.0	1,600.00	0.0	-	0.0	-	0.0	-	4.5	4,500.00	1,000.00
	2.5	2,900.00	4.5	3,260.00	0.0	-	0.4	162.00	0.0	-	7.4	6,322.00	864.32
<b>TOTAL HOURS &amp; COST</b>	3.7	3,838.00	18.9	12,517.50	0.9	454.50	31.2	12,648.00	3.1	795.00	67.8	30,351.00	525.66
<b>AVERAGE RATE/HOUR PER GRADE</b>		£ 1,064.32		£ 664.06		£ 505.00		£ 405.32		£ 256.45		£ 37,477.00	
<b>FEES DRAWN</b>													

BMT Marine & Offshore Surveys Limited (In Liquidation)  
Time Costs for the period 19 September 2013 to 18 September 2015

	Partners & Directors		Assistant Directors		Managers		Assistant Managers		Assistants & Support		TOTAL		Average rate/h Cost (£)
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	
Administration and Planning	0.1	85.00	1.8	1,128.50	3.5	1,741.50	20.9	8,331.50	6.1	1,581.00	32.4	12,867.50	397.76
Cashiering and Statutory Filing	0.4	346.00	5.5	3,505.00	0.2	98.00	55.1	21,942.50	3.8	928.50	65.0	26,821.00	412.63
Case Management and Closure	0.1	86.50	2.7	1,717.50	0.0	-	5.2	2,056.00	0.0	-	8.0	3,860.00	482.50
Initial Actions	0.0	-	0.0	-	0.0	-	0.0	-	0.0	-	0.0	-	-
Liaison with Other Insolvency Practitioners	0.0	-	0.0	-	0.0	-	0.0	-	0.0	-	0.0	-	-
General Reporting	0.8	690.50	9.5	6,137.50	0.0	-	7.7	3,108.50	2.0	490.00	20.0	10,426.50	521.33
	1.4	1,208.00	19.8	12,488.50	3.7	1,840.50	88.9	35,438.50	11.9	2,989.50	125.4	53,976.00	430.69
Investigations													
Reports on Directors Conduct	1.0	850.00	1.5	952.50	0.0	-	1.0	395.00	0.0	-	3.5	2,197.50	627.86
	1.0	850.00	1.5	952.50	0.0	-	1.0	395.00	0.0	-	3.5	2,197.50	627.86
Trading													
Closure of Trade	0.0	-	0.5	317.50	0.3	123.75	0.0	-	0.0	-	0.8	441.25	558.33
	0.0	-	0.5	317.50	0.3	123.75	0.0	-	0.0	-	0.8	441.25	558.33
Realisation of Assets													
Sale of Business / Assets	0.4	340.00	0.5	317.50	0.0	-	1.2	474.00	0.0	-	2.1	1,131.50	538.81
	0.4	340.00	0.5	317.50	0.0	-	1.2	474.00	0.0	-	2.1	1,131.50	538.81
Creditors													
Unsecured	0.1	86.50	5.5	3,500.00	0.0	-	7.0	2,775.00	0.0	-	12.6	6,361.50	504.88
	0.1	86.50	5.5	3,500.00	0.0	-	7.0	2,775.00	0.0	-	12.6	6,361.50	504.88
Case Specific Matters													
Litigation	0.0	-	2.5	1,652.50	0.0	-	1.9	754.50	0.0	-	4.4	2,407.00	547.05
VAT	0.0	-	0.5	325.00	0.0	-	1.2	478.00	0.0	-	1.7	803.00	472.35
Tax	2.8	3,142.50	5.8	4,576.50	0.0	-	0.0	-	0.0	-	8.6	7,719.00	902.81
	2.8	3,142.50	5.8	4,576.50	0.0	-	0.0	-	0.0	-	14.7	10,928.00	748.61
	2.8	3,142.50	5.8	4,576.50	0.0	-	3.1	1,232.50	0.0	-	14.7	10,928.00	748.61
TOTAL HOURS & COST	5.7	5,627.00	36.3	24,130.00	4.0	1,964.25	101.2	40,315.00	11.9	2,989.50	169.0	75,035.75	472.07
AVERAGE RATE/HOUR PER GRADE		£ 985.93		£ 665.66		£ 497.28		£ 398.37		£ 262.06			
FEE DRAWN													73,747.00

**Rule 2 72 PROOF OF DEBT - GENERAL FORM**

**Form 4.25**

**In the matter of**  
**BMT Marine & Offshore Surveys Limited**

**In Liquidation**  
**and in the matter of The Insolvency Act 1986**

**Date of Liquidation 19 September 2013**

1	Name of Creditor	
2	Address of Creditor	
3	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date the company went into liquidation (see note)	£
4	Details of any document by reference to which the debt can be substantiated [Note the liquidator may call for any document or evidence to substantiate the claim at his discretion]	
5	If the total amount shown above includes Value Added Tax, please show -  (a) amount of Value Added Tax (b) amount of claim NET of Value Added Tax	£ £
6	If total amount above includes outstanding uncapitalised interest please state amount	£
7	If you have filled in both box 3 and box 5, please state whether you are claiming the amount shown in box 3 or the amount shown in box 5(b)	
8	Give details of whether the whole or any part of the debt falls within any (and if so which) of the categories of preferential debts under section 386 of, and schedule 6 to, the Insolvency Act 1986 (as read with schedule 3 to the Social Security Pensions Act 1975)	Category  Amount(s) claimed as preferential £
9	Particulars of how and when debt incurred	
10	Particulars of any security held, the value of the security, and the date it was given	£
11	Signature of creditor or person authorised to act on his behalf	
	Name in BLOCK LETTERS	